

In re: University of Vermont Medical Center)
Inpatient Bed Replacement Project) GMCB-021-14con
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1. The Applicant shall provide the Board an updated construction cost estimate for the inpatient bed facility based on construction documents, rather than on schematic design. The updated construction cost shall not exceed the estimated construction cost reflected in the November 7, 2014 application of \$139,413,827, which includes the costs of new construction (\$102,423,538), renovation (\$3,953,209), site work (\$7,674,673), fixed equipment (\$7,828,747), and construction contingency (\$17,533,660).

C. In response to UVMMC's request for clarification of Condition A.2(a) of the Certificate of Need, UVMMC shall provide sufficient documentation to enable the Board to determine whether UVMMC's FY2016 performance is consistent with the Board's FY2016 hospital budget order and reflects expense growth and operating margin that demonstrate UVMMC's ongoing ability to sustain the financial burden of the project without unduly increasing costs to ratepayers and consumers. The same principle applies to Condition A.2(b) with respect to UVMMC's FY2017 hospital budget.

D. In response to UVMMC's request for clarification of Condition A.3 of the Certificate of Need, UVMMC shall propose and the Board shall consider the use of alternative financial benchmarks as indicators of financial capacity and stability in order to determine whether UVMMC has satisfied Condition A.3.

D. In response to UVMMC's request for clarification regarding Condition A.5 of the Certificate of Need, the Board has reviewed the September 30, 2015 summaries of alternative financing plans submitted by CFO Todd Keating. At its October 8, 2015 public meeting, individual Board members advised UVMMC that they preferred Option 3—which requires borrowing of \$89,000,000 instead of \$100,000,000—over Option 1, the financing plan submitted with UVMMC's Application. The Board therefore authorizes UVMMC to develop and submit to the Board a financing plan consistent with either the express language of Condition A.5 or as set forth in Option 3.

With the exception of the correction of Condition B.6, amendment of Condition A.1, and clarifications of Conditions as discussed above, the Requirements and Conditions set forth in the Certificate of Need and Statement of Decision and Order in this matter are unchanged.

Dated: October 29, 2015 at Montpelier, Vermont.

s/ <u>Alfred Gobeille</u>)	
)	GREEN MOUNTAIN
s/ <u>Cornelius Hogan</u>)	CARE BOARD
)	OF VERMONT
s/ <u>Jessica Holmes</u>)	
)	
s/ <u>Betty Rambur</u>)	
)	
s/ <u>Allan Ramsay</u>)	